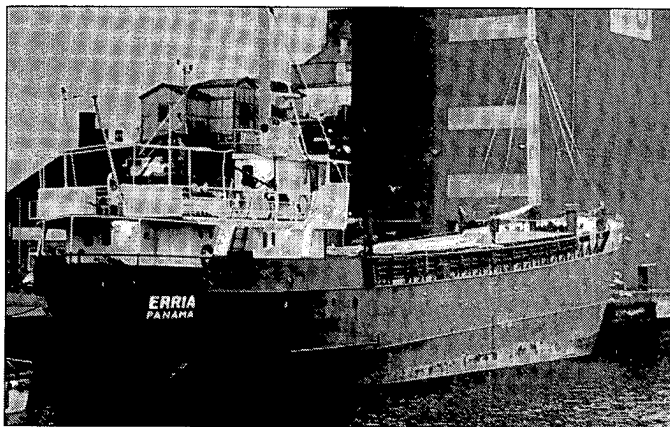


## P E R I S C O P E



GERT JENSEN

Tale of a cash cargo in the millions: The freighter *Erria* in port

## Missing Link?

**D**oes the CIA have a lead on profits diverted from the Iran arms sale? Intelligence sources say the agency has evidence that the Danish freighter *Erria*, bought by Lt. Col. Oliver North for use in his Iran-contra schemes, carried \$30 million to \$40 million—in U.S. \$100 bills—as it sailed from the Middle East to Denmark late last year. It is unclear where the money came from or what it was for, but the sources say the information is deemed reliable and will be turned over to congressional investigators.

The *Erria* was chartered by North and retired Air Force Maj. Gen. Richard Secord in the spring of 1985 for arms shipments to the contras. A year later, using a Panamanian-front company called Dolmy Business, North and Secord

bought the ship, which then sailed to Cyprus apparently as part of a failed scheme to ransom U.S. hostages in Lebanon. Late in the year, possibly after the initial disclosures about secret U.S. arms sales to Iran in November, the *Erria* took on boxes filled with \$100 bills, according to the CIA's source. One port of call in that period was Haifa, in Israel, and then possibly Iran. Although it is not known where the money is now, "the assumption was it would end up in the U.S.," one source said. The *Erria* itself eventually returned to Denmark and became the subject of a court battle. The idea of a rusting freighter carrying millions of dollars in cash might seem melodramatic, said another source, but "this whole thing has been a soap opera."

## Covert Help for Cory Aquino

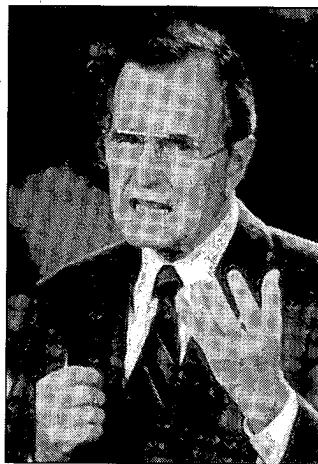
**P**resident Reagan is not willing to let the Iran-contra controversy deter him from other covert operations. He recently signed another secret "finding"—the first since the Iran arms deal became public—to authorize a multimillion-dollar CIA operation against communist insurgents in the Philippines. According to a critical Washington source, the plan has been approved by Philippine President Corazon

Aquino; it calls for CIA operatives to gather intelligence—with overflights if necessary—and launch undercover political activities. The agency will add about a dozen agents to its 115-member station in Manila, these sources say. The CIA reportedly considered a similar program during the rule of Ferdinand Marcos.

■ Many Filipinos are increasingly worried by the rise of right-wing vigilante groups

## George Bush Works a Shift

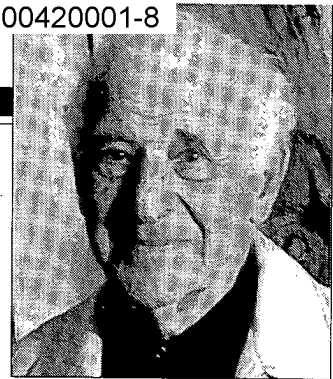
**A**ll but unnoticed during Vice President George Bush's recent political travels was a subtle shift in his public position on abortion. The change puts Bush at odds with Ronald Reagan—and the right-wing Republicans Bush has courted over the past two years. Bush now says freely he opposes abortion "except in cases of rape and incest and [to save] the life of the mother." Reagan backs an amendment banning abortion except to save the mother. Bush's new view—actually a return to his stance before joining Reagan's ticket in 1980—is part of an effort to establish a separate political identity for the 1988 presidential drive. He plans to stake out his views on other key issues in a series of speeches this spring.



L. W. WARD—GAZETTE

A separate identity: Bush

that are battling the communist New People's Army (NPA). These armed civilians—between 7,000 and 10,000 surrendered NPA rebels, religious fanatics, Muslim guerrillas and Marcos loyalists—extort "donations" from local businessmen for their operations. For now, the Aquino government seems to endorse the vigilantes. But some Filipinos fear they could lead to a revival of the "death squads" that terrorized the countryside under Marcos.



AP

An overdue honor: Chagall

## Comrade Marc

**M**oscow's commissars of culture are trying to borrow works by the late Russian-born artist Marc Chagall—who left in 1922, later complaining that he was "an alien" in his homeland—for the Soviet Union's first major Chagall exhibit. Officials at Moscow's Pushkin Museum plan to collect Chagall paintings from around the Soviet Union. Contacts also have been made with Chagall's widow in Paris and the Musée National Marc Chagall in Nice. Family friend Andre Verdet says Soviet authorities now predict that Chagall will be "glorified as a great Russian painter"—perhaps with an OK for poet Andrei Voznesensky's campaign to open a permanent Chagall museum in the artist's hometown of Vitebsk.

## Sharing Power

**U**nlike Donald Regan, new White House chief of staff Howard Baker is increasing the number of people who have Ronald Reagan's ear on key issues. Baker has decided to include his new deputy, former White House aide Kenneth Duberstein, at the exclusive 9 a.m. daily meeting with Reagan and Vice President George Bush in the Oval Office. In a status-conscious White House, the move enhances Duberstein's personal clout—and underscores Baker's intention to share power, not hoard it. Likely to join the sessions soon: a new communications director with expanded clout. Among those mentioned for the post is former Baker aide Thomas Griscom.

LUCY HOWARD with bureau reports

M Y T U R N

# The Bad News Hits Home



When we covered the plant closings and layoffs, none of us thought: 'There, but for the grace of God, go I'

BY DAVID FITZPATRICK

If you think there's been far too much gnashing of teeth and moaning in the aisles over the Black Friday firings at CBS News, you're not alone. After all, tens of thousands of people, many middle-aged, many fairly well paid, many with long years of service, have been fired from American companies in the 1980s. What's the big deal?

Forgive me if this sounds pompous, but the big deal is that corporate America's scythe is slashing away at the news.

Most journalists, I know, have spent their careers thinking they were somewhat special and that the economics of the profession was best ignored. I can remember dozens of discussions that would eventually turn to the cost of covering events and then almost always end with a derisive remark about the corporate "bean counters." They wouldn't know a good story if it stood up and bit them, we would say. But we were in charge—then. The name of the game was to get the story, and who were those guys who had the gall to question how much money it took?

Well, we have the answers now. Those guys are tough, they've taken over, and I'll bet they dismiss us as the ivory-towered brats they always suspected we were.

It's true that we were insulated from the realities of American business. We had the luxury of being able to drop in on people to talk about their fears and come away with a good television story about the latest plant closing or factory downsizing. And we could leave without giving any more thought to the reasons it had happened.

From 1982 until 1984 I ran the Chicago bureau for CBS News and was responsible for covering a 13-state area that stretched from the black ghettos in Detroit, Mich., to the Black Hills of South Dakota; from International Falls, Minn., to the Ozarks in Missouri. There were five reporters then to do the job that included covering the region's depressing economic news. Our cameras took pictures of thousands of people standing in snakelike lines waiting for a chance to apply for a few dozen jobs. We interviewed blue-collar and white-collar who had been fired and were trying to reorder their lives. We recorded middle-aged professionals struggling to grasp a new economic reality. Yet I'd be surprised if any of the reporters, producers, cameramen or editors who worked on those stories ever thought: "There, but for the grace of God, go I." God's grace spared those of us who brought those painful stories to the rest of America.

But not anymore.

After several corporate meltdowns, only two reporters

remain in CBS's Chicago bureau. Given three budget reductions, under three different CBS News administrations all since the early 1980s, the bureau has lost producers, technicians, clerks and managers and is now a third of its size. You can argue all that you'd like about how viewers won't notice the effects, but the best journalism is based on firsthand observation. It doesn't take long to figure that two reporters in Chicago will have a lot harder time making sense out of things than the five who covered the same territory only a few years ago.

The current round of layoffs will probably create fallout of another kind. The major effect, I suspect, will be the stories that we won't cover anymore. Often, decisions on what to report and what to ignore are made as a matter of insurance. The reasoning goes something like this: we think that it would be better to send a camera crew, a producer and reporter to an event on the *chance* that something newsworthy will happen. If we don't cover the event, we'll be certain to miss something and look like idiots because ABC or NBC will have the story and we won't. It's competition, pure and simple, and though I don't know exactly how many stories have been televised because of such decisions, the answer, undoubtedly, is lots.

With 215 fewer people on the network-news staff, decisions about what to cover will be made with more care (that's something I can't quarrel with), but also more agony. There are bound to be stories that CBS News will miss and that, in the short term, others will have. But in these tight financial times, getting beat by the competition will not be nearly as important as it once was. Competition, the energizing fuel of network-television news, will be diluted. Fewer stories will be reported. And that old philosophical question posed by television's critics will become even more relevant—that is, if a tree falls in the forest but there is no one there to hear it, will it make a sound?

**Middle managers:** The ability to gather news is a big deal and it's one reason why the firings on Black Friday created so much media static. But the firings contain an important and humbling lesson as well. Of the more than 200 men and women let go, there were certainly some who were slipping and could not have hoped to survive the glaring light of a new corporate management. Yet most of those who were let go had been doing their jobs well and responsibly, just as they did a year or 10 years ago. They just happened to live in the wrong city or reported to the wrong boss.

The lesson, I think, is that journalists at CBS News have no reason to think they're different from anybody else. Just like the middle managers at General Motors, AT&T, IBM or International Harvester, most of those fired were paid well to do basically one thing: deliver the best product under often difficult circumstances. There'll be fewer of us to do that job now, but CBS News still has some of the best journalists in network television. The changes imposed on us are lasting and significant, but we still are among the best at what we do. It will take more than this for us to fold our tents and fade out.

And if there are any who work for ABC or NBC who somehow take a competitor's delight in seeing something bad happen to the other guy—and I don't think there are many—then they had better begin to bone up on their economics. The fiscal steamroller hit CBS News first and with great impact. But the news divisions at the other two networks have new corporate masters, too. No doubt they are carefully monitoring the results at CBS News. I only hope that the public will keep its own scorecard, too.

*Fitzpatrick has worked for CBS News for 14 years and is a producer in New York.*